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March 10, 2008

Via Facsimile

**MEMO ENDORSED**

Honorable Kenneth M. Karas  
United States District Court  
Southern District of New York  
United States Courthouse  
300 Quarropas Street, Chambers 533  
White Plains, NY 10601-4150

Re: *Schmalz v. MBLA, Inc et al*,  
08-CV-00264 (KMK), and all related actions

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Dear Judge Karas:

An attorney from my firm spoke with Eric this afternoon and we were given permission to submit this letter by fax.

My firm is counsel of record in this action and represents an investor that intends to file a motion seeking appointment as Lead Plaintiff on the statutory deadline of March 11, 2008. I am in receipt of the March 7, 2008 letter submitted to the Court by Mr. David A. Rosenfeld of the Coughlin Stoia law firm (i) asking for permission to file the motion on the statutory deadline without the pre-motion conference required by Your Honor's Individual Rule of Practice II.A, and (ii) informing the Court of the intention to serve copies of motion papers on all counsel of record on the statutory deadline and not file the papers at that time, in accordance with Your Honor's Individual Rule of Practice II.D.

With respect to Mr. Rosenfeld's first point, we agree and join in the request for leave to comply with the strict deadline imposed by the Private Securities Litigation Reform Act of 1995 ("PSLRA") and submit our papers on March 11, 2008 without conducting a pre-motion conference.

Concerning Mr. Rosenfeld's second point, under the PSLRA, any class member—whether already represented in the action by counsel or not—is entitled to submit a motion seeking appointment as Lead Plaintiff on the statutory deadline. To not

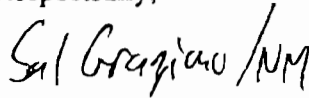


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file the motion papers and serve only "counsel of record" would impose significant difficulties on absent class members because counsel for any such class member would not be able to obtain the papers on the docket and would likewise not receive the papers by service. Given these unique circumstances under the PSLRA, there is, as a practical matter, no way for movants seeking appointment as Lead Plaintiff to even learn of each others' existence in order to effect service without formally causing the motion papers to be filed. Accordingly, we respectfully request that Your Honor grant leave to allow class members seeking appointment as Lead Plaintiff to file their motions on the statutory deadline of March 11, 2008 as required by the PSLRA.

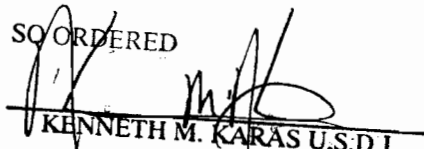
Respectfully,



Salvatore Graziano

cc: David A. Rosenfeld, Esq.  
Robert N. Schwartz, Esq.  
Marvin L. Frank, Esq.

All class members wishing to file a motion to be lead plaintiff and to have lead counsel, under the PSLRA, may file their motions with the Clerk of the Court. The Court will, at an appropriate time, conference the case to address all such motions.

SO ORDERED  
  
KENNETH M. KARAS U.S.D.J.  
3/11/08